

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



December 21, 2005

ALL-COUNTY INFORMATION NOTICE NO. I-81-05

TO: ALL COUNTY WELFARE DIRECTORS
ALL IN-HOME SUPPORTIVE SERVICES
(IHSS) PROGRAM MANAGERS

Reason For This Transmittal

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☐ Clarification Requested by one or More Counties
- ☒ Initiated by CDSS

SUBJECT: REIMBURSEMENT OF PUBLIC AUTHORITY (PA) ADMINISTRATIVE
RETROACTIVE ADJUSTMENTS AND REIMBURSEMENT
PAYMENTS FOR THE IHSS PLUS WAIVER (IPW) FOR QUARTER
(Q) 4 OF FISCAL YEAR (FY) 2003-04, AND Q1-Q4 OF FY 2004-05

REFERENCE: ALL-COUNTY LETTER (ACL) 05-05; ACL 05-36; and ALL-COUNTY
INFORMATION NOTICE (ACIN) I-14-05

The purpose of this ACIN is to provide counties with an explanation of the California Department of Social Services' (CDSS) interim process and methodology that will be used to calculate the **PA Administrative retroactive adjustment payments for the IHSS Plus Waiver (IPW) program**.

The interim process for the IHSS Residual/Personal Care Services Program (PCSP)/IHSS Plus Waiver is necessary due to the current limitations of the Case Management, Information, and Payrolling System (CMIPS) to provide official reports for IPW Program hours. It is these IPW Program services hours and the date of services rendered which are crucial to the calculation for the IPW reimbursement monies. Upon completion of the CMIPS automation, the administrative calculations will be more consistent with the IHSS Program funding due to the IPW Program. The interim process described below will be used until the automation of CMIPS is completed in late Spring 2006.

Retroactive Adjusted PCSP (State Plan) Claim (May 1, 2004 to July 31, 2004)

CDSS calculated the counties' retroactive adjustment for Protective Supervision and Domestic and Related Only services for recipients who were eligible for the PCSP for the period May 1, 2004 through July 31, 2004. In order to determine the amount of

administrative adjustment for each county, we evaluated both the June 2004 "IHSS Program Public Authority Administrative Costs Invoice" (SOC 448) quarterly claim, and the September 2004 SOC 448 quarterly claim.

For the June 2004 claim, the total non-PCSP (Residual) county share from the SOC 448 was multiplied by two-thirds in order to exclude the month of April from the reporting figures. The amount was then multiplied by the combined ratio of Protective Supervision and Domestic and Related Only services, based on CMIPS' quarterly IPW Report by Waiver Year for FY 2004-05. The number was then multiplied by 90 percent to reflect the number of cases that shifted to PCSP, and then by 50 percent to reflect the federal financial participation for PCSP cases.

For example, County A has submitted a June 2004 SOC 448 reflecting a non-PCSP county share of \$3,000. By first multiplying this amount (\$3,000) by two-thirds to eliminate the month of April, the new amount is \$2,000. We then multiply this amount (\$2,000) by the Protective Supervision and Domestic and Related Only combined ratio (19.08 percent + 0.04 percent = 19.12 percent), the 90 percent PCSP shifts from CMIPS, and the 50 percent federal sharing ratio. The total retroactive adjustment owed to County A would be calculated as follows:

$$\$2,000 \times 19.12 \text{ percent} \times 90 \text{ percent} \times 50 \text{ percent} = \$172.08$$

For the September 2004 claim, the same methodology was used to calculate the retroactive payment; however, the total non-PCSP (Residual) county share from the SOC 448 was multiplied by only one-third to exclude the months of August and September, and only the September reporting quarter from the CMIPS IPW Report by Waiver Year for FY 2004-05 was used to determine the ratio for Protective Supervision and Domestic and Related Only services.

IHSS Plus Waiver and Adjusted PCSP Claims (August 1, 2004 through June 30, 2005)

The PA administrative reimbursements for the IPW Program and adjusted PCSP claims were calculated based on the counties' SOC 448 quarterly claims. These claims capture the federal, state, and county funding share for both PCSP and non-PCSP (Residual) programs. The amount of reimbursement owed to the counties was calculated using the non-PCSP county share. Based on reports from CMIPS, approximately 90 percent of the cases claimed in the Residual Program would shift to either PCSP or IPW. The federal government shares 50 percent of the cost in both of these programs.

For example, County B's quarterly SOC 448 had originally calculated \$1,000 for the non-PCSP (Residual) county share. Since 90 percent of these Residual cases are shifting to either PCSP or IPW, and both of these programs have a 50 percent federal sharing ratio, the reimbursement owed to the County B would be calculated by multiplying the following:

$$\$1,000 \times 90 \text{ percent} \times 50 \text{ percent} = \$450$$

In order to satisfy federal reporting requirements, the total IPW Adjustment was divided into the six federal reporting categories (Parent/Spouse, Advance Pay, Protective Supervision, Domestic and Related Only, Meal Allowance, and Multiple Services) based on "percent to totals" derived from quarterly IPW Report by Waiver Year reports.

CDSS is anticipating both the retroactive adjustments and the IPW reimbursement payments to be released to the counties in early 2006. However, since we have not received all of the fourth quarter SOC 448's for FY 2004-05 from the counties, the CDSS Accounting Office continues to process the claims as they are submitted. Therefore, the amount of the reimbursements may vary once all of the claims have been processed.

If you have any questions regarding this letter, please contact Kyle Weber, Manager, Fiscal and Administrative Unit, Adult Programs Branch, at (916) 229-4527.

Sincerely,

JOSEPH M. CARLIN
Acting Deputy Director
Disability and Adult Programs Division

c: CWDA